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Marine

Ships Sought to Carry Russian Oil to Cuba

By Robert S. Burns

The State Department has been informed that offers have been made to buy for cash a number of tankers that are available for immediate delivery, it was learned yesterday.

New York tanker sales brokers know of the proposal, but are reluctant to discuss it. They said they wanted to "wait a couple of days to see what develops." However, they said it was not unreasonable to assume that tankers bought on these terms would be used to carry Russian oil to Cuba.

The tanker market has been shaken from its traditional summer slump by Cuba's seizure of the Texaco, Esso and Dutch Shell refineries, because they refused Premier Fidel Castro's order to process Russian crude oil.

One thing appeared certain: most tanker owners and brokers do not intend to deal with charterers or buyers they do not know, even though they need the business. They do not want to risk retaliation from the major oil companies or the United States, British and Dutch governments, it was pointed out.

Tanker on Way to Cuba

They mentioned the dilemma of the A. P. Moller Co., of Copenhagen. According to their account, Moller chartered its 20,600-ton tanker Helene Maersk to the Russians a month ago for one voyage from the Black Sea to the United Kingdom or Continent with an option for delivery at a Mediterranean or Cuban port. Today the tanker is on her way to discharge oil at the idle Esso refinery.

The 25,000-ton Italian-flag tanker Enrico Telasio, under a year's time charter to the Orlov Shipping and Trading Co., was rechartered to the Russians under similar conditions.

Brokers said yesterday that the oil companies "are up on their hind legs" and have made clear their disapproval of any owner who carries Russian oil in any direction.

Recall Onassis Case

Independent tanker owners do not want to jeopardize their long-term business with the major oil companies for any short-term Cuban business, it was pointed out. They cited the case that was exerted

against Aristotle Onassis, owner of the world's largest independent tanker fleet, by the major oil companies and the State Department in 1955.

In 1954, Mr. Onassis announced intentions of joining with the Saudi Arabian government to form the Saudi Arabian Maritime Co. Under the terms of the agreement, most of the Saudi Arabian oil would be carried in tankers of the new company. The oil companies and the State Department fought the proposal on the grounds that it was a monopoly. In Jan., 1955, the major oil companies began to boycott Onassis tankers and the plan was dropped.

Referring to the Cuban situation, one broker said yesterday that tanker brokers don't want to get near this business. They know without being told that they cannot deal with the Russians and the major United States oil companies.

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